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World Production and Trade

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Service

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Weekly
Roundup

WR 34-88

Aug. 24, 1988

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

EUROPEAN COMMUNITY Proposes Export Credits for Wheat. The European Community (EC) is apparently considering the use of new export credit programs to assist agricultural exports. The EC Commission recently sent two proposals to the EC Council which would establish Community-wide guidelines for commercial credit extended by EC member states for agricultural exports, and would establish a Community financing facility for concessional credits to developing countries importing EC agricultural products. Although the Commission does not propose any target for the volume of exports under the program or limits on the range of eligible products, proposed budget provisions have been made under the assumption that during the first year the facility would finance exports of about 2 million tons of wheat.

OILSEEDS AND PRODUCTS

BAHRAIN, SAUDI ARABIA To Form Joint Vegetable Oil Production Factory. A group of Bahraini and Saudi Arabian business operators are working to form a joint vegetable oil production factory in Bahrain with \$10-12 million in capital. Forty percent of the facility will be owned by Bahrainis and 60 percent by Saudis. The group is currently awaiting approval of the Bahraini Ministry of Commerce and Agriculture to begin the project. This project is expected to become operational by late 1989 or early 1990.

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GHANA Expanding Vegetable Oil Production. According to the U.S. agricultural attache in Lagos, Ghana, the World Bank and private producers are working to increase Ghana's domestic production of edible vegetable oil. Private firms are developing the market for bottled vegetable oil in hopes that improved economic conditions will increase demand for clear, neutral flavored palm olein. They expect to produce about 6,000 tons of edible oil in 1989 and about 10,000 tons in future years. Ghana currently imports most of its edible oil, with 2,500 tons purchased commercially and 6,155 tons purchased under international concessional programs. Private industry may ask the government to curb imports in order to encourage local production of palm oil, as the current break-even price for domestic oil is 15 percent higher than the retail price of imports.

DAIRY, LIVESTOCK AND POULTRY

WORLD Poultry Meat Production Posts Slight Gain. Poultry meat production is expected to total 30 million tons in 1988, 3 percent above 1986. Current forecasts indicate global production will expand at about the same rate in 1989. The EC and the United States account for much of the 1988 increase while in 1989 Brazil will be a major contributor to the gain.

The following table presents poultry meat and egg production for major producing countries.

	Total poultry meat			Eggs		
	1987 1/	1988 2/	1989 2/	1987 1/	1988 2/	1989 2/
	-----Million tons-----			-----Billion -----		
United States	9.11	9.46	9.79	69.56	68.50	67.86
Brazil	1.87	1.86	2.00	15.40	15.80	16.50
Canada	0.65	0.66	0.70	5.71	5.70	5.65
EC	5.71	5.95	6.01	81.26	82.24	81.86
Hungary	0.48	0.49	0.50	4.12	4.30	4.30
USSR	3.13	3.20	3.30	81.92	85.00	87.00
Japan	1.47	1.48	1.50	39.57	40.30	40.00
Total above	22.42	23.10	23.80	297.54	301.84	303.17
Others	6.79	7.02	7.29	94.67	95.88	96.50
World total ^{3/}	29.21	30.12	31.09	392.21	397.72	399.67

1/ Preliminary. 2/ Forecast. 3/ Total includes 51 countries for poultry meat and 41 countries for eggs.

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World egg production is up 1 percent in 1988 with the largest increase in the USSR; slower growth is forecast for 1989. U.S. and Canadian production are down as tight profit margins have limited opportunity for profitable expansion. Higher feed prices are forecast to accelerate the rate of decline in 1989. Following a nearly 20-percent increase in 1987, growth in Brazil's egg output has slowed due to reduced growth in demand. Despite poor conditions in the general economy, consumption is expected to continue to grow because eggs are the lowest priced source of animal protein. Egg production in the EC is up with most of the increase in France where expanded placements of hens in late 1987 caused a 9-percent increase in egg production in early 1988. After a decline in 1987, Spain's egg output is recovering in 1988. In the USSR, egg production is showing another sharp advance as both hen numbers and per hen yields continue to increase. Japan's 1988 egg production is expected to exceed 40 billion eggs, up 2 percent, as producers respond to expanding domestic use.

World broiler production is up 3 percent for 1988 and growth at about the same rate is forecast for 1989 as broilers continue to capture a larger share of the total meat market in many countries. With higher feed prices, broiler production in the United States is forecast to expand about 4 percent per year in both 1988 and 1989. Similar conditions characterize broiler production in Canada. The broiler industry in Mexico continues to suffer from shrinking demand due to a lack of growth in the general economy.

The following table presents world broiler and poultry production. Data are in thousand tons.

	Broilers			Turkey meat		
	1987 1/	1988 2/	1989 2/	1987 1/	1988 2/	1989 2/
United States	7,074	7,340	7,654	1,736	1,817	1,840
Brazil	1,800	1,800	1,950	65	60	55
EC	4,099	4,240	4,260	931	989	1,030
Hungary	400	368	380	NA	NA	NA
USSR	1,720	1,760	1,820	110	115	120
Thailand	464	478	510	NA	NA	NA
Total above	15,557	15,986	16,574	2,842	2,981	3,045
Others	5,748	5,911	6,113	216	213	220
World total ^{3/}	21,305	21,897	22,687	3,058	3,194	3,265

1/ Preliminary. 2/ Forecast. 3/ World total includes 37 countries for broilers and 20 countries for turkey meat. NA/ Not available.

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Brazilian broiler production in 1988 is expected to be 1.8 million tons, unchanged from 1987. Unfavorable conditions in the general economy and slow exports are limiting demand but renewed output growth is forecast for 1989. Argentine broiler producers reportedly are facing a crisis as domestic feed prices are rising in line with international prices at the same time that real poultry prices are falling due to rapid inflation.

Broiler production in the EC is expected to total 4.2 million tons in 1988, 3 percent above 1987. Producers in many of the EC countries face both weak domestic and export demand, limiting prospects for profitable production. Within the EC, French broiler production is forecast at 860,000 tons in 1988, a 4-percent increase; however, much of the increase is going into storage. French output is forecast to decline in 1989 to prevent a further buildup of stocks. Production in the Netherlands is up about 6 percent as domestic use continues to increase. After a period of consolidation, German broiler production is forecast to grow about 3 percent in 1988. Low profit margins are forecast to nearly eliminate production gains in Spain in 1988 and 1989.

Within East Europe, Poland's broiler industry is growing steadily as some facilities that were closed in 1981/82 are reopened and the poultry sector learns to better use homegrown feeds. Further steady growth is forecast for 1989, but poultry meat production will still be below the 1981 peak. Broiler production in Hungary, the leading exporter in the region, is down in 1988 but could recover somewhat in 1989. Limited export opportunities have been compounded by short feed supplies.

In the USSR, broiler production is forecast to grow about 2 to 3 percent annually in 1988 and 1989. New regulations which encourage private households to raise poultry do not yet appear to be having a major impact.

Japan's broiler industry is forecast to grow slowly in both 1988 and 1989 because import competition is keeping margins tight. Thailand's broiler production growth has slowed due to high feed costs and marketing difficulties. Iraq's broiler production is growing rapidly as that country has successfully privatized major sections of the poultry industry.

World turkey meat production is forecast at 3.2 million tons in 1988, up 4.5 percent in 1987, due largely to increased production in the United States. Similar conditions also are stimulating increased production in Canada. EC production of turkey meat is expected to expand about 6 percent in 1988 due to increased output of the four major producing countries. A somewhat slower rate of expansion is forecast for 1989. French production is expected to be 4 percent higher in 1988 as that country increases shipments to other EC countries. Output in the United Kingdom (UK) is forecast up over 10 percent with most of the increase destined for UK consumers. Italy's 1988 output is up about 2 percent as producers continue to face tight profit margins but low prices continue to encourage consumption increases. Germany's production is forecast to reach 100,000 tons in 1989, 20 percent above 1987 output. A shift to heavier birds is said to have helped expand the market for turkey meat.

COTTON

U.S. Cotton Exports Climb in June. U.S. monthly cotton exports reached the highest June level in eight years. The U.S. Census Bureau reports June exports of 554,000 bales, 7 percent above the May level of 517,000 bales. Leading destinations were South Korea, Japan, the EC, the Soviet Union and Egypt. Cumulative August-June exports were reported at 6.3 million bales. Total 1987/88 crop year exports are estimated at 6.6 million bales.

U.S Pima Cotton Exports Hit a Record High. FAS's U.S. Export Sales reports exports of U.S. Pima cotton reaching a record 237,000 bales during the 1987/88 marketing year, an increase of nearly 110 percent over the previous year. Stable world demand, coupled with smaller foreign production, particularly in Egypt, India, Peru and Sudan, have driven Pima cotton exports to record highs every year since 1983/84. Major markets for U.S. Pima cotton are Japan, South Korea, West Germany and Italy. Pima cotton exports for 1988/89 are forecast at 315,000 bales.

TOBACCO

Sale of U.S. Leaf to Turkey Breaks Trade Barrier. On August 17, industry sources announced that the first commercial shipments of U.S. leaf tobacco to Turkey since 1896 will take place in September. The Turkish tobacco monopoly's purchase of about 1,550 tons of tobacco worth \$9 million will be comprised of two-thirds flue-cured leaf with the remainder burley. Since U.S. leaf imports have been historically banned in Turkey, the sale marks a significant turn for U.S. tobacco trade in the region.

VEGETABLES

ITALY'S Tomato Production Hurt by Weather. Italian tomato production for 1988 has been severely affected by unfavorable weather, according to a report from the U.S. agricultural counselor in Rome. Unusually high temperatures in June and July and untimely rainfall have hurt the crop. In addition, this year's weather has caused viral diseases to spread, further reducing yields. Early season forecasts by processors indicate processing tomato output will be about 30 percent below last year's level of 3.1 million tons. Tomatoes for the fresh market were also hurt by the weather with a forecast decline of about 5 percent.

WEEKLY EXCHANGE RATE DEVELOPMENTS

The dollar finished the week of August 15 up against all major currencies. The dollar held firm despite an unexpected increase in the U.S. trade deficit for June and coordinated intervention by both the U.S. Federal Reserve and West Germany's Bundesbank along with other west European Banks.

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Currencies	Current rate 08/18/88	----Percent change from-----		
		week ago 08/11/88	month ago 07/21/88	year ago 08/87
Argentine austral	11.9600	-0.33	26.43	483.41
Australian dollar	1.2376	-0.15	0.58	-12.42
Brazilian cruzado	271.5200	4.15	21.59	477.30
Canadian dollar	1.2292	0.81	2.60	-7.21
South African rand	2.4530	-0.21	2.29	18.43
Thai baht	25.4800	-0.16	-0.20	-1.81
ECU	0.9083	-0.39	2.37	1.38
British pound	0.5882	0.82	1.17	-5.87
French franc	6.4275	0.70	3.77	3.79
West German mark	1.8995	0.90	3.46	2.40
Japanese yen	133.2000	0.41	1.14	-9.54
South Korean won	723.3000	0.00	-0.36	-10.52
New Taiwan dollar	28.5800	0.00	0.00	-5.33

Exchange rates are spot as of 3 p.m. Eastern Time, August 18.

EXPORT ENHANCEMENT PROGRAM INITIATIVES

The status of USDA's Export Enhancement Program as of Aug. 18, 1988, was as follows in metric tons:

ANNOUNCED INITIATIVES	DATE ANNOUNCED	QUANTITY/RESULTS	
102. Kenya wheat	May 6, '88	100,000	
101. Central African Republic wheat flour	April 28, '88	40,000	
100. Benin wheat flour	April 25, '88	50,000	Sold 3,700
99. West Africa frozen poultry (Benin, Cameroon, Cote d'Ivoire, Gabon, Ghana, Guinea, Liberia, Senegal, Sierra Leone, Togo)	April 18, '88	5,000	Sold 20
98. German Dem. Rep. wheat	April 14, '88	130,000	
97. India wheat	April 13, '88	1,200,000	COMPLETE
	July 13, '88	800,000	Sold 300,000
96. Peru barley malt	March 31, '88	20,000	
95. Cameroon barley malt	March 25, '88	20,000	
94. Burundi wheat	Feb. 8, '88	10,000	
93. Central American countries barley malt (Costa Rica, El Salvador, Guatemala, Honduras)	Jan. 27, '88	40,000	Sold 2,000
92. Turkey vegetable oil	Jan. 6, '88	80,000	COMPLETE
91. Algeria barley malt	Dec. 30, 87	10,000	Sold 3,300
90. Iraq barley malt	Dec. 23, 87	5,000	
89. Burundi barley malt	Dec. 16, '87	15,000	
88. Lebanon wheat	Dec. 11, '87	150,000	

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

87. Finland wheat	Dec. 9, '87	50,000	COMPLETE
	Jan. 21, '88	50,000	Sold 32,500
86. Mexico wheat	March 4, '88	150,000	
	Dec. 2, '87	200,000	COMPLETE
	March 3, '88	600,000	COMPLETE
			600,375)
85. Zaire frozen poultry	Nov. 30, '87	7,000	
84. China dairy cattle	Nov. 18, '87	3,000 head	Sold 185
	April 29, '88		Balance withdrawn
83. Bulgaria barley	Nov. 17, '87	150,000	COMPLETE
82. Bulgaria wheat	Nov. 17, '87	150,000	COMPLETE
	Jan. 4, '88	200,000	
81. Gulf countries frozen poultry (Bahrain, Kuwait Oman, Qatar, United Arab Emirates)	Nov. 3, '87	16,000	Sold 4,022
80. Saudi Arabia frozen poultry	Nov. 3, '87	20,000	Sold 500
79. Hungary barley	Oct. 30, '87	100,000	
78. Algeria vegetable oil	Oct. 22, '87	60,000	COMPLETE
	April 8, '88	60,000	Sold 4,000
77. Morocco vegetable oil	Oct. 13, '87	60,000	Sold 27,000
76. Tunisia vegetable oil	Sept. 24, '87	60,000	COMPLETE
75. Singapore frozen poultry	Sept. 24, '87	2,000	Sold 182.3
74. Near East table eggs (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates, Yemen)	Aug. 27, '87	50 million eggs	COMPLETE
	April 15, '88	60 million eggs	Sold 30 million eggs
73. Saudi Arabia dairy cattle	Aug. 27, '87	2,000 head	Sold 1,870 head
	April 29, '88		Balance withdrawn
72. Iraq barley	Aug. 10, '87	150,000	COMPLETE
	Dec. 28, '87	100,000	COMPLETE
71. Brazil wheat	July 30, '87	300,000	Sold 66,000
70. Colombia wheat	July 30, '87	300,000	COMPLETE
69. Israel wheat	May 29, '87	200,000	
	April 18, '88		Withdrawn
68. Bangladesh wheat	May 22, '87	100,000	COMPLETE
	July 8, '87	50,000	COMPLETE
	Aug. 12, '87	150,000	Sold 144,500
	Sept. 10, '87	300,000	
67. Soviet Union wheat	April 30, '87	4,000,000	COMPLETE
	Oct. 15, '87	65,000	COMPLETE
	Nov. 9, '87	2,400,000	COMPLETE
	Nov. 27, '87	2,350,000	COMPLETE
	Jan. 29, '88	2,000,000	COMPLETE
	March 18, '88	1,000,000	COMPLETE
	April 4, '88	1,000,000	Sold 989,800

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

66. Turkey rice	April 3, '87	70,000	COMPLETE
65. Colombia barley malt	April 3, '87	15,000	COMPLETE
64. Iraq table eggs	Feb. 20, '87	189 million eggs	Sold 178 million
	April 22, '88	96 million eggs	
63. Canary Islands poultry	Feb. 9, '87	5,000	COMPLETE
	May 10, '88	1,000	COMPLETE
62. Nigeria wheat	Jan. 28, '87	500,000	
61. China wheat	Jan. 26, '87	1,000,000	COMPLETE
	Aug. 18, '87	1,000,000	COMPLETE
	Nov. 17, '87	1,000,000	COMPLETE
	Dec. 11, '87	1,000,000	COMPLETE
	Feb. 5, '88	1,200,000	COMPLETE
	April 5, '88	2,000,000	Sold 1,990,000
	Aug. 18, '88	2,000,000	
60. Iraq wheat	Jan. 16, '87	800,000	COMPLETE
	Oct. 26, '87	1,000,000	Sold 752,000
59. Switzerland barley or sorghum	Jan. 16, '87	250,000	Sold 9,000
58. Poland wheat	Jan. 7, '87	500,000	COMPLETE
	July 2, '87	500,000	COMPLETE
	Dec. 1, '87	1,000,000	Sold 975,000
	March 22, '88	500,000	
57. Poland barley or sorghum	Dec. 31, '86	200,000	COMPLETE
	Dec. 14, '87	500,000	Sold 205,000
56. Romania wheat	Dec. 23, '86	250,000	
55. Iraq poultry	Dec. 22, '86	60,000	COMPLETE
	Oct. 2, '87	10,000	Sold 5,000
	Nov. 25, '87	30,000	
54. Dominican Republic table eggs	Dec. 9, '86	25 million eggs	Sold 11.1 million eggs
53. Zanzibar wheat flour	Dec. 9, '86	20,000	Sold 6,000
52. Tunisia barley	Dec. 1, '86	150,000	COMPLETE
	March 23, '88	350,000	
51. Gulf countries (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates) dairy cattle	Oct. 30, '86	1,500 head	COMPLETE
	Aug. 27, '87	1,500 head	Sold 24 head
	April 29, '88	Balance withdrawn	
50. West Africa (Benin, Burkina Faso, Cameroon, Cote d'Ivoire, Ghana, Gabon, Liberia, Niger, Togo) wheat	Oct. 30, '86	345,000	Sold 282,850
	June 15, '87	185,000	
	Feb. 4, '88	50,000	
49. Dominican Republic poultry	Oct. 29, '86	1,500	COMPLETE
	Jan. 12, '88	2,000	
48. Philippines barley malt	Oct. 20, '86	60,000	Sold 46,000
47. Cameroon wheat flour	Oct. 14, '86	20,000	COMPLETE
	May 26, '88	35,000	
46. Romania barley	Sept. 24, '86	200,000	Sold 125,000

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

45. Venezuela barley malt	Sept. 4, '86	100,000	
44. Cyprus barley	Aug. 26, '86	150,000	Sold 130,000
43. Canary Islands wheat	Aug. 8, '86	100,000	Sold 7,300
42. Egypt semolina	Aug. 6, '86	30,000	Sold 23,000
	Sept. 29, 1987		Balance withdrawn
41. Soviet Union wheat	Aug. 1, '86	4,000,000	EXPIRED
40. Canary Is. dairy cattle	July 28, '86	3,000 head	Sold 2,985
	April 29, '88		Balance withdrawn
39. Hong Kong table eggs	July 28, '86	44 million eggs	COMPLETE
	Nov. 16, '87	48 million eggs	COMPLETE
	June 7, '88	48 million eggs	Sold 24.8 million
38. Senegal wheat	July 17, '86	100,000	COMPLETE
	Sept. 11, '87	110,000	
37. India vegetable oil	July 8, '86	25,000	COMPLETE
	Dec. 15, '87	300,000	Sold 120,000
36. Jordan barley	June 17, '86	60,000	COMPLETE
	Nov. 12, '86	100,000	
35. Israel barley	June 17, '86	200,000	COMPLETE
	Sept. 14, '87	200,000	COMPLETE (206,200)
34. Tunisia dairy cattle	April 27, '88	200,000	Sold 30,000
33. Algeria dairy cattle	May 29, '86	4,000 head	COMPLETE
32. Sri Lanka wheat	May 29, '86	5,000 head	COMPLETE
	May 16, '86	125,000	COMPLETE
	March 5, '87	95,000	COMPLETE
	Aug. 20, '87	240,000	Sold 190,000
31. Saudi Arabia barley	May 7, '86	500,000	COMPLETE
	Aug. 6, '86	250,000	COMPLETE
	Sept. 16, '86	300,000	COMPLETE
	Oct. 8, '86	200,000	COMPLETE (201,000)
	Jan. 5, '87	1,250,000	COMPLETE
	May 15, '87	500,000	COMPLETE
	Aug. 4, '87	500,000	COMPLETE
	April 18, '88	250,000	COMPLETE
	June 7, '88	300,000	Sold 25,000
30. Algeria barley	Apr. 17, '86	500,000	COMPLETE
	April 18, '88	200,000	Sold 198,000
29. Morocco dairy cattle	April 16, '86	4,000 head	COMPLETE
	Dec. 8, '87	7,500 head	
	April 29, '88		Withdrawn
	July 7, '88	5,000 head	
		non-registered	

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

28. Turkey dairy cattle	April 16, '86 June 18, '86 Nov. 18, '87 April 29, '88 July 7, '88	5,000 head 5,000 head 10,000 head Withdrawn 5,000 head non-registered	COMPLETE COMPLETE Withdrawn COMPLETE non-registered
27. Egypt dairy cattle	April 16, '86 Sept. 12, '86 Oct. 19, '87	6,000 head 10,000 head	COMPLETE Sold 3,681 Withdrawn
26. Yemen poultry feed	April 14, '86 Dec. 1, '87	150,000 186,500	Sold 111,468
25. Yugoslavia wheat	April 10, '86 June 24, '86 Oct. 7, '86 Oct. 19, '87	200,000 200,000 500,000 500,000	COMPLETE COMPLETE Sold 417,050
24. Indonesia dairy cattle	April 9, '86 June 18, '87 Oct. 5, '87 April 29, '88	7,500 head 8,000 head 8,000 head Balance withdrawn	COMPLETE COMPLETE Sold 4,000 withdrawn
23. Syria wheat	April 8, '86	700,000	CANCELED
22. Benin wheat (remaining 15,000 tons transferred to West Africa)	April 7, '86	45,000	COMPLETE
21. Algeria table eggs	April 4, '86 Sept. 29, '87	500 million eggs Withdrawn	eggs Withdrawn
20. Iraq dairy cattle	April 4, '86 April 29, '88	6,500 head Balance withdrawn	Sold 6,028 withdrawn
19. Jordan wheat	March 19, '86 June 20, '86 Dec. 31, '86 March 2, '86	75,000 75,000 225,000 350,000	COMPLETE COMPLETE COMPLETE
18. Tunisia wheat	March 18, '86 Aug. 22, '86 Feb. 3, '88	300,000 800,000 725,000	COMPLETE Sold 775,000
17. Algeria wheat flour	Feb. 25, '86 Sept. 29, '87	100,000 Withdrawn	100,000 Withdrawn
16. Algeria semolina	Feb. 11, '86 Oct. 9, '87	250,000 Allocation reduced	Sold 30,000 COMPLETE
15. Philippines wheat	Oct. 9, '87 Jan. 7, '86 Aug. 10, '87 Feb. 11, '88	50,000 150,000 500,000 500,000	COMPLETE (152,400) COMPLETE Sold 445,000

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

14. Zaire wheat	Dec. 27, '85	35,000	COMPLETE
	May 15, '86	45,000	COMPLETE
	Oct. 10, '86	40,000	COMPLETE
	July 16, '87	80,000	COMPLETE
	Feb. 4, '88	160,000	Sold 15,000
13. Nigeria barley malt	Dec. 10, '85	100,000	Sold 93,464
12. Iraq wheat flour	Dec. 9, '85	150,000	COMPLETE
	Jan. 7, '87	175,000	Sold 75,000
11. Egypt poultry	Nov. 26, '85	8,000	COMPLETE
	March 21, '86	15,000	COMPLETE
	June 18, '86	5,000	COMPLETE
	July 8, '86	15,000	COMPLETE
	Dec. 19, '86	25,000	COMPLETE
	Feb. 27, '87	6,000	COMPLETE
	June 7, '88	5,000	
10. Zaire wheat flour	Nov. 18, '85	64,000	COMPLETE
	May 15, '86	30,000	COMPLETE
	April 20, '88	45,000	
9. Philippines wheat flour	Nov. 15, '85	100,000	Sold 50,000
	Sept. 29, '87		Balance withdrawn
8. Jordan rice	Nov. 8, '85	40,000	COMPLETE
	Jan. 13, '87	60,000	Sold 51,150
7. Turkey wheat	Oct. 16, '85	500,000	COMPLETE (506,600)
	May 8, '86	500,000	Sold 248,000
6. Morocco wheat	Sept. 30, '85	1,500,000	COMPLETE
	Dec. 9, '86	790,000	COMPLETE
	July 1, '87	500,000	COMPLETE
	Nov. 23, '87	1,500,000	Sold 660,000
5. Yemen wheat	Sept. 6, '85	100,000	COMPLETE
	Jan. 26, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	COMPLETE
	May 31, '88	100,000	
4. Yemen wheat flour	Aug. 20, '85	50,000	COMPLETE
	April 14, '86	100,000	COMPLETE
	May 18, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	Sold 16,040
3. Egypt wheat	July 26, '85	500,000	COMPLETE
	Oct. 30, '85	500,000	COMPLETE (512,500)
	June 24, '86	500,000	COMPLETE
	July 29, '86	52,000	COMPLETE
	Oct. 8, '86	1,000,000	COMPLETE
	July 8, '87	500,000	COMPLETE
	Nov. 30, '87	1,000,000	COMPLETE
	May 11, '88	1,000,000	Sold 326,750

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

2. Egypt wheat flour	July 2, '85	600,000	COMPLETE
	Aug. 6, '86	600,000	Sold 578,000
1. Algeria wheat (ex durum)	June 4, '85	1,000,000	COMPLETE
wheat (ex durum)	April 10, '86	1,000,000	COMPLETE
durum	Nov. 10, '86	300,000	COMPLETE
durum	March 16, '87	300,000	COMPLETE
durum	July 24, '87	300,000	COMPLETE
durum	Oct. 29, '87	300,000	COMPLETE
wheat (all)	Dec. 31, '87	1,000,000	COMPLETE
wheat (all)	Aug. 12, '88	1,000,000	COMPLETE

EXPORT ENHANCEMENT PROGRAM SUMMARY

Announced as of Aug. 18, 1988

Announced to Date*	66,872,890 tons grains and products (grain equivalent) 560 million table eggs 238,500 tons frozen poultry 74,773 head dairy cattle 645,000 tons vegetable oil
Sold to Date	44,210,134 tons wheat 2,513,255 tons flour (grain equivalent) 5,960,154 tons barley 72,610 tons semolina (grain equivalent) 213,013 tons barley malt (grain equivalent) 229,000 tons sorghum 161,150 tons rice 111,468 tons poultry feed 376,000 tons vegetable oil 151,243 tons frozen poultry 69,773 head dairy cattle 385,682,820 table eggs
Total Sales Value:	\$5,458.4 million
Estimated Bonus Book Value:	\$2,993.1 million
Market Value of Awards:	\$2,166.6 million

*Does not include withdrawn programs.

-more-

Selected International Prices

Item		August 23, 1988	Change from a week ago	A year ago
ROTTERDAM PRICES 1/		\$ per MT	\$ per bu.	\$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.10/	205.00	5.58	-4.00	138.00
U.S. No. 2 DNS/NS: 14%.11/	186.50	5.08	-4.50	131.00
U.S. No. 2 S.R.W.12/	169.00	4.60	-5.00	126.00
No. 3 H.A.D.....11/	200.00	5.44	+9.00	153.00
Canadian No. 1 A: Durum10/	213.00	5.80	-2.00	153.50
Feed grains:				
U.S. No. 3 Yellow Corn.12/	134.00	3.40	-9.00	88.00
Soybeans and Meal:				
U.S. No. 2 Yellow.....13/	323.24	--	-32.25	210.00
Brazil 47/48% Soya Pellets12/	288.00	--	-20.50	211.00
U.S. 44% Soybean Meal..12/	290.00	--	-26.00	190.00
U.S. FARM PRICES 3/				
Wheat	125.28	3.41	+0.36	85.97
Barley.....	77.62	1.69	+2.29	58.79
Corn.....	98.03	2.49	-2.36	58.66
Sorghum.....	87.30	3.96 2/	--	58.20
Broilers.....	1,539.03	--	-22.93	1,154.33
EC IMPORT LEVIES				
Wheat 5/.....	139.48	3.80	-4.43	204.88
Barley.....	114.17	2.49	-1.33	200.95
Corn.....	151.89	3.86	-1.12	206.86
Sorghum.....	161.40	4.10	-1.23	210.18
Broilers 4/ 6/ 8/.....	490.00	--	+13.00	499.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	185.86	5.06	-4.47	182.47
Bread wheat (min. quality)	195.64	5.32	-4.71	192.07
Maize.....	195.64	4.97	-4.71	192.07
Barley and all other feed grains, excluding maize.	185.86	--	-4.47	182.47
Broilers 4/ 6/.....	1,423.00	--	+19.00	1,550.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	32.71	0.89	-32.25	--
Barley.....	58.00	1.26	-4.47	--
Broilers 4/ 6/ 8/.....	614.00	--	+16.00	414.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ September/October delivery. 11/ August/September delivery. 12/ September delivery. 13/ October delivery. N.A.=None authorized. N.Q.=Not quoted.

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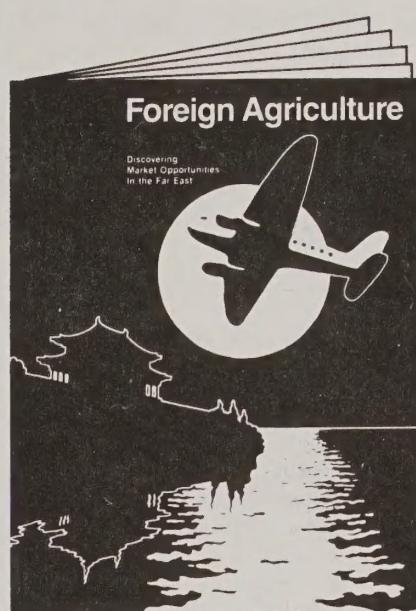
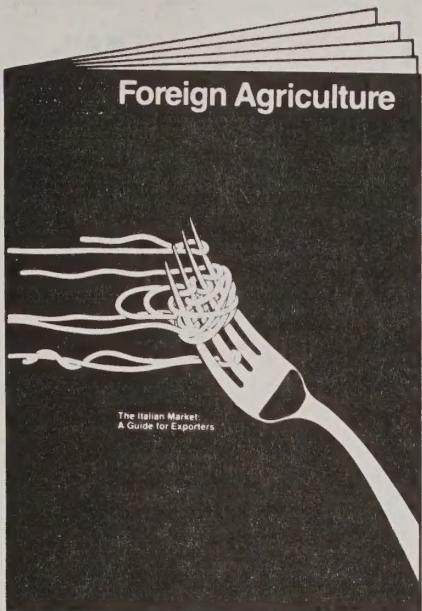
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